



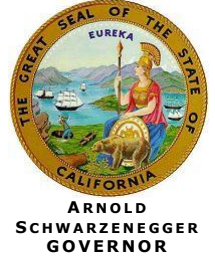
STATE MINING AND GEOLOGY BOARD

DEPARTMENT OF CONSERVATION

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CONFORMED MINUTES

THE STATE MINING AND GEOLOGY BOARD

Will Conduct a Regular Business Meeting on:

Thursday, December 13, 2007

DRAFT

9:00 A. M.

Hyatt Regency Suites
Grand Salon I & II
285 North Palm Canyon Drive
Palm Springs, CA 92262

AGENDA

For questions regarding this Agenda, please contact the SMGB office by telephone at (916) 322-1082, or by facsimile at (916) 445-0738. This Notice and associated staff reports can be accessed electronically at the SMGB's Internet web site at: <http://www.consrv.ca.gov/smgb/> (note: Agenda reports should be available electronically approximately one week prior to the scheduled meeting/hearing date).

The SMGB requests that all lengthy comments be submitted in writing in advance of the meeting date. To ensure that the SMGB has the opportunity to fully preview written material, comments should be received in the SMGB office no later than 15 days prior to the scheduled meeting date, and must indicate the Agenda Item to which it relates. For written material in excess of two pages, or that contains large maps, photos, foldouts, or other documents requiring special handling, please submit 12 copies. The SMGB will not reproduce these types of documents. Comments on Agenda Items will be accepted by electronic mail, and are subject to the same conditions set forth for other written submissions.

Individuals are responsible for presenting their own projects at the meeting.

[NOTE: Times are approximate. The chairman may alter the hearing start time or agenda item order during the meeting]

I. Call to Order (Jones)

II. Roll Call and Declaration of a Quorum

The meeting was called to order at 9:00 A. M., with all members present, and a quorum was declared.

III. Director's Report (Luther, Department of Conservation) [Information]

Mr. Jason Marshall, Deputy Director with the Department of Conservation, reported on the following:

- There is a possibility that there will be a 10 percent reduction in the State's budget across the board. The California Geological Survey (CGS) would be directly impacted by this budget reduction since CGS depends largely on the State's general funds to implement its programs.
- Member Hoose suggestion of considering voluntary contributions as an alternative was considered by Marshall as worth exploring, but CGS can not accept private contributions, and cannot, in the case of petitions, bill more than actual costs incurred.
- Member Garner expressed the need to be more aggressive on fees and fines, and summarized some of his pertinent experience with the Air Board which he serves on.
- Member Lund expressed the need to be fair.
- Member Bly-Chester inquired as to the financial status with the SMGB's vested rights administrative procedures regulations. Executive Officer Testa stated that the SMGB did get two staff positions, and that a cost mechanism was in place which allows for costs incurred to be passed on to the petitioner or claimant.

Office of Mine Reclamation Report (Craig) [Information]

Mr. Douglas Craig, Assistant Director with the Office of Mine Reclamation, reported on the following:

- Forty-one individuals attended the OMR workshop held in Sacramento. The workshop was attended by individuals representing several lead agencies.
- Mr. John Halligan, manager of the Compliance Unit, has departed OMR and moved back to the Division of Recycling.
- OMR has visited all but one site in Sacramento County, where the SMGB has received several public complaints. The SMGB will hear more on this matter from OMR in the near future.
- A summary of recent activities associated with OMR's abandoned mines land program was provided, and a more in-depth presentation to the SMGB was offered.
- Member Garner expressed the need to consider various administrative mechanisms for enforcing compliance among lead agencies, including some way to administer administrative fines to lead agencies, when they are not fulfilling their obligations and responsibilities under the Surface Mining and Reclamation Act of 1975 (SMARA). Member Tepel concurred with Member Garner.



State Geologist's Report (Parrish) [Information]

State Geologist and Director of the California Geological Survey, Dr. John Parrish, provided the following report:

- The United States Geological Survey (USGS), working group with assistance from CGS, is close to publishing a new national hazards map.
- Five additional Seismic Hazards Mapping Act quadrangle maps are near completion for publication.

IV. Chairman's Report (Jones) [Information]

No information was provided.

V. Executive Officer's Report (Testa) [Information]

Executive Officer Testa summarized the following recent and upcoming activities of the SMGB when serving as a lead agency:

- Mine inspections being performed by SMGB staff are near completion. Adobe Road Borrow Pit located in the City of Red Bluff, and the Atkinson Brick Pit No. II located in the City of Compton, will be considered for site closure. The Blue Point Rock Quarry and Blue Point Sand and Gravel sites will be considered reclaimed with exemption to monitoring of revegetation efforts.
- An environmental study currently being performed by OMR on behalf of the SMGB pursuant to the California Environmental Quality Act (CEQA) is for Parks Bar Quarry located in Yuba County. The SMGB can anticipate considering approval of the environmental study and amended reclamation plan at its regular business meeting scheduled for March 2008.
- Reclamation plans currently being reviewed include the Big Cut Mine and Smith Flat Road Project located in El Dorado County, and the San Francisco Marine Dredging Project located in the City and County of San Francisco. Preparation of reclamation plans for the Richmond (Chevron) Quarry located in the City of Richmond, and Super Creek (Painted Hills) Quarry located in Desert Hot Springs, are in progress.
- The proposed SMGB regulations for the conduct of a vested rights determination when serving as a lead agency under SMARA has been published through the Office of Administrative Law. The public review and comment period ends on December 24, 2007. No comments have been received to date. The SMGB can anticipate hearing this matter at its February 2008 Regular Business Meeting.

Executive Officer Testa summarized the following recent and upcoming activities of the SMGB:

- Three Low Gross Exemption appeals and two Administrative Appeals were received. The SMGB may hear these appeals at its next Regular Business Meeting should they have legal standing.
- CalTrans has requested a one-time exemption from SMARA for their Willets By-Pass Project, located in Mendocino County. The SMGB can anticipate hearing this matter in the near future.



- In the near future, CGS will be presenting to the Board an overview of the Seismic Hazards Zone Mapping Program, and recommendations for future considerations of the SMGB.
- Several complaints have been received concerning lead agency performance under SMARA including complaints pertaining to Sacramento County, San Bernardino County, Santa Clara County and Siskiyou County. These complaints have been forwarded to OMR for initial follow-up per the SMGB's Administrative Procedure No. PP96-02.
- Submittals of legislatively mandated reports have been requested by the Director of the DOC. The last annual report of the SMGB was prepared for fiscal year 1999-2000. The Executive Officer is preparing the SMGB's annual report for 2006-2007; however, this report will also include pertinent activities of the SMGB for the period of 2000 to 2006.
- The Executive Officer was invited to make a presentation at the University of California at Davis on "*The Future of the Geoscience Workforce*", Stanford University on "*The Historical Significance of Oil Exploration and Production in California*".

VI. Ex-Parte Communication Disclosure [Information]

[Board Members will identify any discussions they may have had requiring disclosure pursuant to Public Resources Code Sections 663.1 and 663.2]

- Member Bly-Chester stated that she recently attended a meeting where she was invited to speak in March 2008.
- Member Isham stated that he recently chaired the Mine Reclamation session at the Northwest Mining Association's annual meeting in Spokane, WA.

VII. Good of the Meeting [Information]

[This time is scheduled to provide the public with an opportunity to address non-agenda items. Those wishing to speak should do so at this time. All persons wishing to address the SMGB should fill out a speaker card and present it to the Secretary so that the Chair can determine the number of persons who wish to speak. Speakers are limited to three minutes except by special consent of the Chairman]

- Mr. Gary Rudholm, Senior Planner with the Planning Department for Santa Clara County stated that the County had four individuals who will participate as part of the County's inspection team, attending the OMR's workshop. Mr. Rudholm provided a brief synopsis of the County's inspection activities. Member Garner expressed his wish for the need of outreach by the County to the various groups and interested parties. Member Hoose also stated her hope that the County is advertising its public meetings in a more effective manner.
- Mr. Krishna Sinhd, Director of Engineering with Vector Engineering (Vector), reiterated his firm's desire to continue performing surface mine inspections on behalf of the SMGB. Executive Officer Testa stated that Vector's contract had expired, and that surface mine inspections are now being performed by SMGB staff. The status of Vector's contract has been forwarded to Vector.



- Mr. Rick Gundry, geologic consultant with Inland Geologic, Inc., forwarded a letter to the SMGB dated December 13, 2007, inquiring as to how the State is assisting residents, counties and municipalities with up-to-date permitting and production of materials information, and how this information is being distributed for planning and environmental decision-making purposes. Chairman Jones requested that the Executive Officer address these inquiries.
- Mr. Bob Sondgrass, Vice President of Wyroc, Inc., brought to the attention of the SMGB, a complaint on a surface mining operation located in the City of Lake Elsinore. Additional information and documentation will be provided by Mr. Snodgrass to the Executive Officer, who will follow-up on this matter.

VIII. Consent Items [Action]

[All the items appearing under this section will be acted upon by the SMGB by one motion and without discussion; however, any Board member wishing to discuss a particular item may request the Chairman to remove the item from the Consent Calendar and consider it separately under Continued Business or New Business]

1. Approval of Minutes, September 13, 2007 Regular Business Meeting.
Board Member Garner moved to approve the minutes. Board Member Bly-Chester seconded and the motion carried with a unanimous voice vote.

2. Approval of Minutes, November 8, 2007 Regular Business Meeting.
Board Member Garner moved to approve the minutes. Board Member Bly-Chester seconded and the motion carried with a unanimous voice vote.

IX. Continued Business [Action]

[These business items have been continued from a previous meeting/hearing]

X. New Business [Action]

3. Acceptance of California Geological Survey Special Report 198 on Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the Palm Springs Production-Consumption Region, Riverside County, California.
Executive Officer Testa stated that the SMGB, when considering acceptance of classification reports prepared by CGS, that acceptance is based on recommendations from the State Geologist and from public input. In addition, and consistent with SMGB's guidelines, the State Geologist may periodically review mineral land classification information in defined study regions to determine if reclassification is necessary. The report under consideration, CGS SR 198, updates information previously presented in a classification report on Portland cement concrete-grade (PPC) aggregate in the Palm Springs P-C Region that was completed in 1985 (Special Report 159). Testa informed the SMGB that at its September 13, 2007 Regular Business Meeting, CGS provided a proposed schedule and prioritized program of current and planned activities for mineral land



classification and associated projects, and the update of the report for the Palm-Springs P-C Region was considered high priority.

- Mr. Larry Busch with CGS provided a synopsis of the report under acceptance consideration by the SMGB. The original Special Report 159 identified 22,122 acres as MRZ-2 for PCC-grade aggregate resources, and was used to assist the SMGB in the subsequent process of designation. As a result, the SMGB in 1989 designated 9,150 acres containing 945 million tons of PPC-grade resources, and this material has been used for all aggregate needs in the region. Mr. Clinkenbeard indicated that several new areas containing PCC-grade aggregate resources have been identified and classified MRZ-2a and MRZ-2b. These areas include 8,061 acres containing approximately 472 million tons of newly identified PCC-grade aggregate resources. It was concluded that 307 million tons of construction aggregate will be needed in the region in the next 50 years, with 138 million tons, or 45%, need to be PCC grade. Only 167 million tons of PCC-grade aggregate resources are currently permitted, and these reserves will be depleted in approximately 32 years from the forecast date or in the year 2038.
- Chairman Jones inquired as to the current new land use for new identified sectors.
- Member Bly-Chester inquired about the windmill farms on leased property. Mr. Busch with CGS stated that the life-span of the windmills is on the order of at least 20 years.
- Member Hoose inquired as to how newly identified resources are evaluated.

Board Member Tepel moved to accept CGS's report. Board Member Hoose seconded and the motion carried with a unanimous voice vote.

4. Acceptance of California Geological Survey Special Report 202 on Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the Claremont-Upland Production-Consumption Region, Los Angeles and San Bernardino Counties, California.

Executive Officer Testa informed the SMGB that the report under consideration, CGS SR 202, updates information previously presented in a classification report on Portland cement concrete-grade (PPC) aggregate in the Claremont-Upland P-C Region that was completed in 1984 (Special Report 143). Testa informed that SMGB that at its September 13, 2007 Regular Business Meeting, CGS provided a proposed schedule and prioritized program of current and planned activities for mineral land classification and associated projects, and the update of the report for the Claremont-Upland P-C Region was considered high priority.

- Mr. Russell Miller with CGS provided a synopsis of the report under acceptance consideration by the SMGB. Discussion of historic and projected population growth in the region was discussed, and a comparison of recent results relative to those developed in 1984 was presented. Approximately 561 million tons of PCC-grade aggregate resources were identified in 1984; whereas, 451 million tons were identified in the updated report. In addition, 55 million tons of reserves were identified in 1984; whereas, 121 million tons were identified in the updated report. The updated depletion date was estimated at year 2034.



- Member Hoose inquired as to how much time was involved in performing new field work. Mr. Miller indicated a couple of weeks, typically, which included a visit to the areas of study and review of available reports and plans at the city and/or county level.

Board Member Hoose moved to accept CGS's report. Board Member Tepel seconded and the motion carried with a unanimous voice vote.

5. Approval of Site Closure for Atkinson Brick Pit No. II (CA Mine ID #91-19-0005), Atkinson Enterprises (Operator), Tobin Campbell (Agent), City of Compton. Executive Officer Testa stated the SMGB is the lead agency for the City of Compton, and that Atkinson Brick Pit No. II is one of two surface mining operations owned and operated by Atkinson Enterprises and situated adjacent to each other within the City's jurisdiction. The site was first inspected in 2003, has been idle since such time, and was used as a staging area for imported stockpiled materials, and for truck and equipment storage and staging. The original pit has been backfilled with engineered fill, and the operator has requested that the site be deemed reclaimed to an acceptable condition for its current and intended land use.

- Mr. Will Arcand, Certified Engineering Geologist with the SMGB, provided a summary presentation of the 2007 inspection report for this former surface mining operation.

Board Member Tepel moved to approve site closure. Board Member Garner seconded and the motion carried with a unanimous voice vote.

XI. Special Reports and Department Presentations [Possible Action]

[Based on these Reports, the Chair may instruct the SMGB staff to initiate administrative actions]

6. Report on County of San Bernardino SMARA Program. (Information)
Executive Officer Testa stated that San Bernardino County serves as one of the largest SMARA lead agencies in the state. Mr. George Kenline, a geologist and the individual who oversees the County's SMARA program has accepted an offer from the SMGB to provide an overview of the County's SMARA program.

- Mr. George Kenline, geologist with San Bernardino County and responsible for managing the County's SMARA program, provided an overview of the County's SMARA program. Mr. Kenline indicated that 2,500 individuals are employed in the County's mining industry.
- Member Hoose inquired as to the size of the staff attending to SMARA matters. Mr. Kenline stated that he was the only one at this time.
- Member Garner encouraged Executive Officer Testa to work with the County, and provide what outreach, resources and assistance, as reasonably feasible.



7. Update on Designation Activities by the State Mining and Geology Board. Executive Officer Testa stated that following acceptance of the updated classification report for the Palm Springs Production-Consumption Region, Riverside County, the SMGB may wish to consider pursuing designation of certain sectors. This process can be initiated by directing the Mineral and Geologic Resources Committee to request from the State Geologist recommendations for lands to be considered for designation.

- Mr. John Clinkenbeard, Supervising Engineering Geologist with CGS's Minerals Resources Unit with CGS, discussed in general terms the designation process, noting that 16 Production-Consumption Regions were designated by the SMGB from 1982 to 1990, and 14 Classified Production-Consumption Regions have not yet been considered for Designation by the SMGB.
- Executive Officer Testa stated that staff is working with CGS to scan all of the SMGB's Designation Reports and have them available on the SMGB's website.
- Member Hoose expressed issues for consideration pertaining to scale and size of maps produced.
- Chairman Jones stated that designation is one of the most important functions that the SMGB does.
- Member Garner asked if there has been any recognition of designated lands that is already built upon. Mr. Clinkenbeard stated that this type of information is provided as the classification reports are updated.
- Member Tepel indicated the need for the re-establish the SMGB's designation program.
- Chairman Jones directed Executive Officer Testa to schedule this matter for the Mineral and Geologic Resources Committee once State Geologist Parrish is ready to provide specific recommendations for designation.

8. Inspection reports pursuant to PRC Section 2772(b) for the following surface mining operations may be presented for SMGB acceptance consideration as being in accordance with the SMGB's requirements:

Executive Officer Testa stated that the SMGB will be considering accepting seven surface mine inspection reports for sites located in the City of Desert Hot Springs, North Palm Springs and Compton, and several sites located in Yuba County.

SMGB staff, Mr. Will Arcand, presented a summary of the inspection reports, and violations, corrective measures and recommendations, as appropriate, for the SMGB's consideration in accordance with the SMGB's requirements and for possible action. The reports presented were:

- Super Creek (Painted Hills) Quarry (CA ID #91-33-0003), City of Desert Hot Springs.
- Garnet Pit (CA ID #91-33-0031), City of North Palm Springs.
- Atkinson Brick Pit No. I (CA ID #91-19-0004), City of Compton.
- Atkinson Brick Pit No. II (CA ID #91-19-0005), City of Compton.



- Sperbeck Quarry (CA ID #91-58-0004), Yuba County.
 - Wheatland Clay Pit (CA ID #91-58-0007), Yuba County
 - Parks Bar Quarry (CA ID #91-58-0013), Yuba County.
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- Mr. Allan Bankus, Jr., operator for the Super Creek Quarry stated that he could not provide a timetable or schedule for when the SMGB could anticipate receiving an Amended Reclamation Plan for his surface mining operation.
 - Member Hoose stated that the operator provided no supportive information to allow for additional time to comply.
 - Member Garner stated that a firm date for compliance needed to be established.
 - Chairman Jones requested that the operator provide an amended reclamation plan to the SMGB no later than January 31, 2008, and directed the Executive Officer Testa to issue a Notice of Violation should an amended reclamation plan not be received in a timely manner.

Board Member Tepel moved to accept the surface mine inspection reports. Board Member Lund seconded and the motion carried with a unanimous voice vote.

XII. SMGB Committee Reports [Information and Possible Action]

- Geohazards Committee (Chairman Tepel)
 - No report was provided.
- Alquist-Priolo Technical Advisory Committee (Chairman Tepel)
 - TAC Chairman Tepel stated that the TAC participated in a field trip on the morning of December 13, 2007, to observe minor fault features near the City of Indio, and then held a meeting in the afternoon. The field trip was informative, and the TAC work is progressing favorably. A preliminary draft outline of the report is currently under consideration. It is hoped that the TAC work product could be forwarded to the Geohazards Committee by early next year, and then on to the whole SMGB for consideration.
- Minerals & Geologic Resources Committee (Chairman Garner)
 - No report was provided.
- Policy and Legislation Committee (Chairman Jones)
 - No report was provided.
- Surface Mining and Standards Committee (Chairman Isham)
 - No report was provided.

XIII. Continuing Business [Information]

[This item is provided as an opportunity for any SMGB member to receive information on or any items of continuing interest to the SMGB.]

No continued business was discussed.



XIV. New Business [Information]

[This item is provided as an opportunity for any SMGB member to bring any item of new business to the SMGB's attention for further discussion and further action]. Items to be discussed:

- Member Hoose requested that assessment of administrative penalties as a general topic of discussion be scheduled for the January 2008 or during one of the early 2008 Regular Business Meetings.

XV. Executive Session (Closed to the Public) [Possible Action]

[The SMGB will discuss information from its legal counsel on pending litigation and may take appropriate actions based on this information. This session is being held under Government Code, Section 11126]. Items to be discussed:

- a). Brunius vs. SMGB, Case # PC 20010449, El Dorado County Superior Court.
- b). An un-named case where there is potentially significant exposure to litigation against the Board.

Re-open Regular Business Session, Announce Results of Executive Session

Board Legal Counsel Deborah Wordham, Deputy Attorney General, announced that the SMGB met in closed session to discuss pending litigation but took no actions.

XVI. Announcements of Future Meetings

January 10, 2008, was announced as the next meeting and Sacramento, CA as the location.

XVII. Adjournment

The meeting was adjourned at 1:30 P.M.

APPROVED

Allen M. Jones, Chairman

Stephen M. Testa, Executive Officer

